GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3419
ANSWERED ON:10.08.2015
Amount spent on Advertisements by OMC
Birla Shri Om

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the amount spent on advertisement and public relations by the Oil Marketing Companies (OMCs) during the last three years and the current year along with the percentage of their profit and turnover spent on such activities;

(b) whether the Government proposes to review the policy of expenses incurred by OMCs in the said activities;

(c) if so, the details thereof along with criteria/guidelines issued in this regard;

(d) whether the OMCs are spending huge expenditure on advertisement to encourage use of branded fuels in the country; and

(e) if so, the details thereof along with awareness programmes formulated by the Government for use of branded fuels?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a): The OMC-wise and year-wise details are given below:
Hindustan Petroleum Corporation Limited (HPCL)
(Rupee in crore)

Year	Amount spent	% of profit Before Tax (PBT)	% of Gross Sales
2012-13	30.10	2.04	0.01
2013-14	31.49	1.20	0.01
2014-15	38.08	0.92	0.02

Indian Oil Corporation Limited (IOCL)

Year	Amount spent	% of Profit	% of Turnover
2012-13	187.78	3.75	0.05
2013-14	185.52	2.65	0.04
2014-15	196.92	3.73	0.04

Bharat Petroleum Corporation Limited (BPCL)

Year	Amount spent	% of Profit After Tax (PAT)	% of Turnover
2012-13	45.89	1.74	0.02
2013-14	41.37	1.02	0.02
2014-15	51.30	1.01	0.02

(b) & (c): The management of OMCs take decisions about advertisements and expenses incurred.
(d) & (e): OMCs spend on advertisement for branded fuels as per marketing requirement. The company wise expenditure is as following:
(Rupee in lakh)

Year	HPCL	IOCL	BPCL
2012-13	0.63	1.0	3.0
2013-14	0.28	0	2.0
2014-15	3.74	2.0	17.0

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